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ABSTRACT

This ERIC digest synthesizes research characterizing the economic climate in which rural schools operate and reports on the traditional strategies used to create greater economic support for rural school districts. The benefits of steady urban economic growth have not been shared, generally, by rural areas; this has led to inadequate financial support for rural schools. While state aid may come via foundation programs, rural disparities have been most consistently reduced in states that adopted power equalization programs that guarantee minimum revenues (Jess, 1980). Federal funds help lessen rural discrepancies, but do not close the gap (Orland, 1988). Further, state and federal contributions often are tied to programs that may be difficult for rural districts to implement. Rural schools have been faulted for inefficiency because their per-pupil expenditures were viewed as being too high, leading to the emerging view that rural and small schools are inherently more expensive. To fund and preserve rural schools, some observers have proposed a typology that accounts for diversity among all school districts (Augenblick & Nachtigal, 1985). It is suggested that government equalization initiatives fail because their mandates impose burdens that are out of scale to their benefits. Many educators overcome rural disparity by addressing the social context within which rural schools operate. The common theme in these approaches is that it is impossible for rural schools to deliver the same services in the same ways as other schools, since the economic support and community will necessary to meet expectations may not exist. This digest includes 10 references. (TES)

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ERIC DIGEST

Clearinghouse on Rural Education and Small Schools December 1988

Economic Support for Education in Rural School Districts

Digest EDO-RC-89-4

THIS Digest synthesizes recent findings and enduring features that characterize the economic climate in which rural schools operate, and it reports traditional strategies used to create greater economic support for rural school districts. It aims to relate the issues of rural culture and community to the economic support of adequate services in rural schools.

Why has the degree of economic support been an ongoing concern of rural educators and of state policymakers?

The yardstick of adequacy in mass education—the expectation that all the children of all the citizens of a nation will attend school—is the expectation that schools everywhere will function in the same way to serve all students. This is a modern phenomenon closely associated with the steady economic growth that has characterized the development of cities, but many rural areas have not experienced growth during recent decades. Instead, they have been caught in cycles of economic boom and bust, or in a trend of steady decline. Under these circumstances, rural superintendents have consistently reported that adequate financial support for their districts is difficult to obtain.

Nonetheless, *rural areas* are the places in which mass education developed its early roots in the United States during the nineteenth century. Studies of contemporary nonmetropolitan communities have shown that they spend at least as high a proportion of their personal income on schools as metropolitan communities (e.g., Monk & Bliss, 1982). Incomes in rural areas, however, are low, and the net result of this traditional interest and contemporary effort does not combine to support adequately the work now expected of rural schools.

What state aid provisions have been suggested to increase the degree of economic support for rural schools?

Three types of state funding mechanisms are used to equalize economic support among all school districts in a state (Jess, 1980):

- high-level foundation programs, by which the state makes up the difference between local support and a prescribed minimum level;
- augmented foundation programs, which provide additional revenues based on a combination of district wealth and tax effort; and
- power equalization programs, which guarantee minimum revenues based on tax effort, but "recapture" revenues from districts with high local revenues.

According to Jess (1980), of the 25 states using any of these methods, disparities were reduced in 17, whereas disparities increased in seven. (They remained unchanged in one.) However, disparities were most consistently reduced in states that adopted power equalization programs. According to data reported by Wright (1981), 13 states adjusted funding to rural schools based on isolation and seven states made adjustments based on populaiton sparsity.

What is the effect of state and federal governments' revenue contributions on rural school districts?

Since the 1930s, state governments have played an increasingly large role in financing local schools. Since the 1950s, steady changes in state funding formulas have tried to take into account the special needs of some districts—for example, being small in size or serving many disadvantaged children. Overall, the effect of state efforts has been to lessen the fiscal discrepancies between rich and poor school districts.

The funds provided by the federal government to help at-risk students also help lessen discrepancies, but by no means close the remaining gap (Orland, 1988). Some reports, however, indicate that rural schools have not received a share of federal assistance proportional to either the numbers of students they serve or their needs (e.g., Gjelten, 1980).

Compounding this problem, the contributions of state governments and the federal government are often tied to new programs (designed by them) that may be particularly difficult for rural districts to implement. The new difficulties that confront rural school districts in operating some special education programs are a case in point.

The additional responsibilities imposed by state and federal mandates are intended to ensure that schools everywhere will provide similar programs in similar ways. Under these circumstances, additional aid may be welcomed as a mixed blessing by rural schools and communities. The funds benefit local economies, but require school staff to redouble their efforts to be efficient.

Why haven't all states adopted equalization measures?

Rural schools have been faulted for inefficiency because, even as their services were viewed as inadequate, their per- pupil expenditures were viewed as too high. A goal of the massive consolidations that occurred in this century was to eliminate this alleged rural inefficiency. Today, many rural educators believe that the push for efficiency has gone too far.

The emerging view is that rural and small schools are inherently more expensive to operate than other schools. Population sparsity,

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the appropriately small scale of rural schools, and the special needs of rural students and communities need to be accommodated with flexible regulation and ample economic support. Many rural educators hope that schooling will be recognized as an essential investment in an infrastructure that will support the kind of economic development that many rural communities have never experienced.

For the purpose of funding rural schools for such a mission, some observers believe that it will be necessary to develop a typology that accounts for the diversity among all school districts, a diversity most dramatically exhibited by rural school districts (Augenblick & Nachtigal, 1985). Such thinking may have influenced the passage in 1988 of a new school finance law in Colorado, which establishes a classification based on eight types of school districts. Much work needs to be done, however, to provide empirical justification for any particular typology.

How is economic support related to issues of rural culture and community?

The long history of interest by rural communities in their schools contrasts markedly with the more recent history of inadequate funding for rural schooling. When the expectations of rural schools were different, their funding was not perceived to be inadequate. State and federal initiatives have not—and perhaps cannot—resolve this dilemma, since their mandates, framed to apply to all schools, impose burdens that may be out of scale to the benefits they deliver to rural schools.

Such problems indicate a failure of policy to comprehend what rural schools, and the communities and cultures that stand behind them, are really like. Equalization of funding, or even a comparatively high level of funding for rural school districts, will not change the disparity of rural and urban cultures and economic activity.

Some educators (e.g., Wigginton, 1985) seek to cultivate a sense of community, based on students' direct involvement with the features of local culture and history. Wigginton's methods have been called "cultural journalism," because students develop publications about their involvement. As cultural journalists, they not only learn basic skills in a meaningful context, but they begin to understand and critique the world in which they live, according to Wigginton.

Other educators (e.g., Gatewood & DeLargy, 1985) believe that it is important for rural schools to take an active role in cultivating economic activity in rural communities, and new studies of "business incubation" have begun to appear (e.g., Weinberg, 1988). These programs provide seed-money and technical assistance to start businesses intended later to become self-supporting.

Still others stress the importance of understanding the national and global context in which rural schools and economies operate. According to them, the impoverishment of rural areas is a predictable, persistent consequence of the economic relationship between rural regions and centers of metropolitan finance and industry (e.g., Silver & DeYoung, 1986).

They suggest that rural citizens may legitimately view the schooling of their children as something apart from the agenda of mass education. Instead of regarding their children as the nation's "most precious natural resource," rural parents may want their children to learn fidelity to such rural traditions as neighborliness, hard work, self-reliance, and close relationship to the natural environment (e.g., Wigginton, 1985).

The common theme in these differing views is that the expectation that rural schools will deliver the same services in the same ways as other schools is bound to end in frustration, since the community will and the economic support necessary to meet the expectation may not exist. Hence, the issue of adequate economic support for education in rural districts depends on the purposes conceived for rural schools and on who conceives those purposes. Some rural teachers have taken a lead in demonstrating viable rural alternatives.

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